

EXECUTIVE SUMMARY



To: Bob Vitas, City Manager
From: Norman Whitaker, Director / KWDoT
Date: January 24, 2014
Subject: Procurement of New Bus Fleet for Key West Transit (KWT)

Action Statement:

Respectfully request approval to purchase pursuant to City of Key West Code of Ordinances Section 2-797.3(a)(b)(c), Purchases and Acquisitions Under Contracts of Federal Government and the State or its Political Subdivisions, the following buses, to include associated options, training, spares, delivery and administrative fees, from Gillig LLC (through the Florida Public Transportation Association (FPTA)) at a total cost of \$1,990,393.

- Three (3) Clean Diesel (Low Sulfur) Gillig 30' Low Floor BRT Buses
 - Base Price, Options & Delivery \$421,650 Bus \$ 1,264,950 Total
 - Training and Spares \$ 63,248 Total

 - One (1) Hybrid Clean Diesel (Low Sulfur) Electric Gillig 30' Low Floor BRT Bus
 - Base Price, Options & Delivery \$638,210 Bus \$ 638,210 Total
 - Training and Spares \$ 21,985 Total

 - Administrative Fee Assessed by FPTA \$ 500 Bus \$ 2,000 Total
- \$ 1,990,393 Total

Subject buses would be procured through the Central Florida Regional Transportation Authority, Contract No. 14-C09 for Heavy Duty Transit Coaches, in which the City of Key West is a named entity authorized to purchase pursuant to, and Gillig LLC.

The purchase authority granted herein by the City Commission will be contingent upon Florida Department of Transportation (FDOT) and Federal Transit Administration (FTA) grant funding awarded and accepted by the City Commission, as further described in the Fiscal Impact section of this Executive Summary.

Project History:

From 1989 to 1998, Key West Transit (KWT) operated El Dorado LPG Squire lightweight buses that carried sixteen (16) passengers plus two (2) wheelchair passengers or twenty (20) passengers without wheelchair passengers. The downfalls were the wheelchair lifts, fuel, and the body – they were on a lightweight TRUCK chassis and had fiberglass body. The LPG Squire operated for about 10 to 12 years, yet they were only tested by FDOT / FTA to operate for seven (7) years.

Around 1999 – 2000, Key West Transit was successful in obtaining grant funds to purchase additional buses. In 2001, KWT received seven (7) 30' Gillig Low Floor Heavy Duty buses and in 2003, received eight (8) 30' Gillig Low Floor Heavy Duty buses. The 30' Gillig Low Floor Heavy Duty buses can transport up to 33 passengers.

In 2005, the City contracted with Monroe County and the City of Marathon, creating a Five (5) Year Inter-local agreement, to extend transportation services up the keys to the City of Marathon, MM50, and has extended up to MM52.5. With this agreement in place, in 2008 KWT again was successful in obtaining grant funds to purchase two (2) 35' Gillig Low Floor Heavy Duty buses for the Lower Keys Route. The 35' Gillig Low Floor Heavy Duty buses can transport up to 45 passengers. The additional two (2) buses bring the bus fleet inventory to seventeen (17) buses.

Currently, Key West Transit's bus fleet consists of fourteen (14) buses. We lost one (1) to fire, and two (2) had unreparable engine and transmission problems.

Depending on funding availability, Key West Transit's Five (5) Year *Tentative Plan* will be to increase the bus fleet inventory from seventeen (17) to twenty (20) buses. This will include the following: twenty-five percent (25%) of the bus fleet will be Hybrid Clean Diesel (Low Sulfur) Electric buses and seventy-five percent (75%) will be Clean Diesel (Low Sulfur) buses.

Fiscal Year & Amount	Number & Type of Buses – Gillig BRT Low Floor
FY 2014	Three (3) Clean Diesel & one (1) Hybrid Diesel Electric
FY 2015	Three (3) Clean Diesel
FY 2016	One (1) Hybrid Diesel Electric
FY 2017	One (1) Hybrid Diesel Electric
FY 2018	One (1) Hybrid Diesel Electric

Depending on available yearly funding and the dependability of the Hybrid Diesel Electric buses, bus purchases may be subject to change.

Option #1: Advantages / Disadvantages

Option #1 would approve the staff's intention to purchase three (3) Clean Diesel (Low Sulfur) Gillig 30' Low Floor BRT Buses and one (1) Hybrid Clean Diesel (Low Sulfur) Electric Gillig 30' Low Floor BRT Bus.

There are several advantages for approving this agreement and they are as follows:

- KWT will be able to continue providing an efficient public transit system
- New and improved models added to our fleet, thus decreasing current maintenance costs
- New buses will provide for an improved visual effect in the community
- New warranted vehicles with minimal initial support costs
- Stainless Steel Body (Gillig) vs. Carbon Steel Body (El Dorado)
- KWT will meet Strategic Goals - Environment # 4 & 5, Infrastructure # 1, 2, & 4.
- KWT will meet or exceed the goal of reducing emissions by 15% as noted in the Climate Action Plan.
- Purchases are completely funded by FDOT with no City match required, so no fiscal impact to the City.

There are no disadvantages to approving this agreement.

Option #2: Advantages / Disadvantages

Option #2 would not approve staff recommendations to purchase buses.

There are no advantages that can be identified.

There are several disadvantages to this option and they are as follows:

- Extremely high cost of maintenance on current vehicles
- Carbon Steel Body (El Dorado) vs Stainless Steel Body (Gillig)
- Lost revenue opportunity
- KWT will not fully meet the Strategic Goals and the Climate Action Plan
- Current bus fleet maintenance is at a critical point with no foreseeable relief
- City may have to cancel routes due to inadequate bus fleet
- Citizens and tourists may not be able to access public transportation
- Loss of opportunity for new vehicles that will support current services being offered

Fiscal Impact:

Option #1, recommended by staff will result in no capital financial outlay by City of Key West.

A total of \$1,225,600 is currently in the Florida Department of Transportation (FDOT) Five Year Transportation Plan with an additional amount of \$846,932 to be obligated to the City of Key West by the Florida Department of Transportation (FDOT) through reallocation. The entire \$2,072,532 grant award will come before the Commission for acceptance before the issuance of a City of Key West Purchase Order for the buses and associated costs referenced above. Unused grant proceeds will “roll forward” to be added to future FDOT grant allocations to be used for fulfillment of the City’s five year bus fleet replacement plan.

The new vehicles will be delivered with extended coverage warranties for issues that might arise during the warranty period as the vehicles age. This will also alleviate some of the operational costs of the vehicles.